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To make additional funds available to augment research under the direction of the Office of Communications for the development of an absolutely secure Voice Secrety System.

PACIN BEAUTHO ON THE PROJECT

The development of a Voice Secrecy System to be used in conjunction with telephonic communications is considered to be a matter of utmost importance, and the Director has asked the Assistant Director for Communications to expedite research in this field.

toward the development of a cryptographic solution. This amount is sufficient only for a single technical approach to the problem, and pursuant to the Director's injunction, it is desired to develop simultaneously an alternative approach. This will require an additional expenditure of \$60,000. The two research programs, running concurrently, will not duplicate each other nor will they duplicate any programs that have been or are being undertaken by any commercial or military organization.

The additional num requested is available in the present 1952 allotment for the Office of Communications because of below-estimate costs in several other research programs.

This sum will be expended under a contract which will provide for its termination in the event that concurrent research along the other line produces affirmative results.

Full coordination and cooperation orists among the intelligence agencies of the Government concerned with this field, and by mutual agreement CIA is conducting the major research.

ACTION

At its secting on 23 May 1952, the Project Review Committee approved an additional \$50,000 for the Office of Communications for use in expanding its research upon the development of a cryptographic solution to the voice secrecy problem in telephonic communications.

CONTRACTOR

That additional funds in the amount of \$50,000 be approved for this project.

CONCUR.

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(APPROVED) (DESAPPROVED)

SIGNED

CONFIDENTIAL

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JUN 11 1952

Frank U. Elener Acting Chairman, FAC



Mreeter of Central Intelligence